AN ACT

Amending the act of March 10, 1949 (P.L.30, No.14), entitled "An act relating to the public school system, including certain provisions applicable as well to private and parochial schools; amending, revising, consolidating and changing the laws relating thereto," in reimbursements by Commonwealth and between school districts, providing for supplemental payment of basic education funding and establishing the Basic Education Supplemental Restricted Account within the General Fund.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. The act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949, is amended by adding a section to read:

Section 2502.55. Supplemental Payment of Basic Education Funding.--(a) The Basic Education Supplemental Restricted Account is established within the General Fund. The account shall consist of money appropriated or transferred to the account and the interest earned by the account. The money in the account is hereby appropriated on a continuing basis to the
Department of Education for the purpose of making supplemental basic education payments under this section.

(b) During any fiscal year, if a school district experiences a reduction in the real estate tax collected, due to a change in tax status of a real property owner, of more than two hundred thousand dollars ($200,000) from the previous fiscal year, the Department of Education shall make a payment from the account to the qualifying school district in an amount equal to the reduction.

(c) If there are inadequate funds in the account to make payments under this section, the payments shall be made on a pro rata basis to qualifying school districts.

(d) (1) Payments made under this section shall be deemed to be part of the school district's allocation amount under section 2502.53(b)(1) for the following school year and each school year thereafter.

(2) Paragraph (1) shall not apply if the tax status of the real property owner that caused the reduction in the real estate tax collection changes to the prior tax status.

(e) If a qualifying school district receives a payment under this section and subsequently is notified or otherwise becomes aware that the tax status of the real property owner that caused the reduction in the real estate tax collection changes to the prior tax status, the qualifying school district shall notify the Department of Education within 60 days of receiving the notice or becoming aware of the change.

Section 2. Of the amount appropriated to the Department of Education for the payment of basic education funding to school districts under section 215 of the act of (P.L. , No. ), known as the General Appropriation Act of 20180HB2483PN3670
2018, the sum of $5,000,000 is allocated for transfer to the Basic Education Supplemental Restricted Account. The transfer shall occur within 10 days of the effective date of this section.

Section 3. This act shall take effect immediately.